



Public Service Commission of the District of Columbia
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May 31, 2012

Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Petition for Waiver of the Public Service Commission of the District of Columbia, *Lifeline and Link Up Reform and Modernization; Lifeline and Link UP; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training*, WC Dockets Nos. 11-42, 03-109, 12-23, and CC Docket No. 96-45

Dear Ms. Dortch:

On May 30, 2012, Cary Hinton, Linda Jordan, and Lara Walt from the Public Service Commission of the District of Columbia (DC PSC) and Karl Muhammad, Denise Watson, Brian Robinson, and William White from the District Department of the Environment (DDOE) met with Kim Scardino and Garnet Hanly from the Wireline Competition Bureau via conference call to discuss the DC PSC's May 23, 2012 Petition for Waiver (DC PSC Petition) of the effective dates of certain portions of 47 C.F.R. § 54.410.

During the meeting, the conversation focused on the DC PSC's request for a waiver not of the June 1, 2012 deadline for using a new application that contains all of the information required by 47 C.F.R. § 54.410(d) to certify new Lifeline service applicants but also the June 1, 2012 deadline for providing copies of Lifeline service certification applications to Verizon Washington, DC Inc. (Verizon DC), is the only wireline eligible telecommunications carrier (ETC) in the District of Columbia pursuant to 47 C.F.R. § 54.410(b)(2)(ii), 47 C.F.R. § 54.410(c)(2)(ii), and 47 C.F.R. § 54.410(e). The DC PSC and DDOE outlined the current Lifeline service certification processes in the District of Columbia, the logistical issues involved with (1) incorporating the new Lifeline service application into the current certification process; (2) completing the steps that the DC PSC, DDOE, and other stakeholders must take to adopt a new Lifeline service application; and (3) transmitting copies of the application to Verizon DC. Anticipated completion dates were also discussed.

In the District of Columbia, there is a statutorily mandated state universal service trust fund.¹ Because the District of Columbia has no rural areas, the District of Columbia Universal Service Trust Fund (DC USTF) is only for Lifeline services. The DC USTF supplements support from the Federal Universal Service Fund. The only ETCs that can receive support from the DC USTF are wireline ETCs, since the DC PSC has no authority to regulate wireless carriers.² As noted previously, Verizon Washington, DC Inc. (Verizon DC) is currently the only wireline ETC in the District of Columbia.

DDOE is the state agency responsible for verifying customer eligibility for the DC USTF. Because the DC USTF reimburses only wireline carriers, DDOE certifies eligibility for wireline ETCs only. Thus, DDOE certifies eligibility for only those customers who wish to have Verizon DC's Lifeline service offering. DDOE does not certify eligibility for wireless ETCs in the District of Columbia.

In addition to verifying eligibility for wireline Lifeline service, DDOE also verifies customer eligibility for the federal Low Income Home Energy Assistance Program (LIHEAP), and three District of Columbia-specific utility discount programs (UDP) for gas, electric, and water customers. For purposes of administrative efficiency, DDOE has a single application process for all of these programs. To apply for any of these programs, an applicant must make an in-person appointment with DDOE and bring all identity, account, residence, income, and qualification for federal program documents to that appointment. At that appointment, DDOE intake staff enters all of the information presented by the applicant directly into the online DDOE database; there is no paper application. If the applicant is found eligible for any of these programs, then the intake staff prints out a form indicating that the applicant is deemed eligible, but the applicant does not receive a paper copy of the application.

In order to comply with the new 47 C.F.R. § 54.410, DDOE must alter its application process in several ways. First, the application must be rewritten in order to include the new information required by 47 C.F.R. § 54.410(d). Because 47 C.F.R. § 54.410(d) requires the applicant to certify an understanding of many aspects of the Lifeline service program, DDOE's electronic application form must be converted into a paper form so that DDOE staff can ensure that the applicant signs all of the required new certifications. Then this signed application form must be scanned back into the electronic database so that it can be transmitted to Verizon DC pursuant to 47 C.F.R. § 54.410(b)(2)(ii), 47 C.F.R. § 54.410(c)(2)(ii), and 47 C.F.R. § 54.410(e). DDOE intake staff must be retrained to ensure that they print out the new application, educate the applicant about the Lifeline service program and the new certifications, have the applicant sign the application and all of the certifications, and scan the application into the DDOE database. Additionally, the DDOE database must be reconfigured to include the new application form and to collect and store scanned Lifeline service applications so that they can be transmitted to Verizon DC. DDOE and Verizon DC must also develop a secure electronic means of transmitting these signed application forms, since they contain sensitive private information.

¹ D.C. Code § 34-2003 (2011 Supp.)

² D.C. Code § 34-2006(b).

The fact that DDOE determines eligibility for LIHEAP and all UDPs in the District of Columbia also poses another logistical problem. Currently, information regarding an applicant's eligibility for all of these programs is stored in the same electronic file. This information includes, *inter alia*, account information for gas, electric, and water utilities, whether the applicant's residence is owned or rented, and how the applicant's residence is heated. DDOE must develop applications and processes to separate this non-Lifeline service information from the Lifeline service information so that only Lifeline service information is included on the paper Lifeline service application that is signed by the applicant and then scanned. If this information is not separated, then Verizon DC will receive sensitive customer information about other utility bills when the Lifeline service application is transmitted to Verizon DC under the new rules. The DC PSC is very concerned about the transmittal of any sensitive customer information that is not required to be transmitted by the new FCC rules and has directed DDOE to ensure that its new application separate Lifeline service information from non-Lifeline service information.

Despite these logistical problems in implementing section 47 C.F.R. § 54.410, the DC PSC and DDOE are committed to comply with this rule as quickly and efficiently as possible. After the release of the *Lifeline Modernization Order*, the Commission directed its two working groups advising the Commission on Lifeline service issues to meet and propose necessary changes to District of Columbia Lifeline service regulations, processes, applications, and outreach materials.³ The DC PSC has approved changes to the outreach materials used by the DC PSC, DDOE, utilities, and other stakeholders to promote Lifeline service and other UDPs.⁴ New proposed combined LIHEAP/UDP/Lifeline service applications were submitted to the DC PSC for approval on May 12 and 18, 2012.⁵ In Order No. 16785, the DC PSC directed DDOE to create two separate applications, one for LIHEAP/non-Lifeline UDPs and one for Lifeline service, to take into account the security concerns noted above.⁶ In that order, DDOE was directed to file a new Lifeline service application on May 31, 2012. The DC PSC and its working groups will evaluate this new application as soon as it is filed. Additionally, there are several working group meetings planned for the near future to discuss the information technology (IT) and other logistical changes that must be made to implement 47 C.F.R. § 54.410.

Despite these efforts, compliance by the DC PSC and DDOE with 47 C.F.R. § 54.410 by June 1, 2012 is impossible. Regarding the new Lifeline service application, it must be finalized by DDOE, approved by the DC PSC, translated, and uploaded into the DDOE database. DDOE staff must be trained to educate Lifeline service applicants about the new certifications, ensure that Lifeline service customers sign the application, including the certifications, and scan the signed application into the DDOE database for storage and transmittal to Verizon DC. The DC

³ *Formal Case No. 813, In The Matter Of The Investigation Into Electric Service Market Competition And Regulatory Practices, and Formal Case No. 988, In the Matter of the Development of Universal Service Standards and the Universal Service Trust Fund for the District of Columbia*, Order No. 16717, rel. March 1, 2012.

⁴ *Formal Case No. 813 and 988*, Order No. 16779, rel. May 10, 2012.

⁵ *Formal Case No. 813 and Formal Case No. 988*, Utility Discount Program Education Working Group's Report on the UDP Application, filed May 14, 2012; Utility Discount Program Education Working Group's Errata, filed May 18, 2012.

⁶ *Formal Case No. 813 and Formal Case No. 988*, Order No. 16785, rel. May 24, 2012.

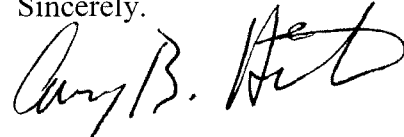
PSC and DDOE remain committed to accomplishing all of these tasks by August 1, 2012, the date requested in the Petition.

Regarding the transmittal of Lifeline service application copies to Verizon DC, DDOE and Verizon DC IT staffs are currently studying methods of securing electronic transmittal of these documents. They anticipate sharing the results of their discussions with the DC PSC and other stakeholders in the middle of June. The DC PSC hopes that this electronic process can be approved and implemented as soon as possible.

The DC PSC and DDOE support the goals of the *Lifeline Modernization Order* and are committed to its implementation as quickly and efficiently in the District of Columbia as possible. Notwithstanding the efforts of the DC PSC's working groups, however, complete compliance with 47 C.F.R. § 54.410 by June 1, 2012 is impossible. The DC PSC continues to support the requests in its Petition for a waiver of 47 C.F.R. § 54.410(d) until August 1, 2012 and 47 C.F.R. § 54.410(b)(2)(ii), 47 C.F.R. § 54.410(c)(2)(ii), and 47 C.F.R. § 54.410(e) until April 1, 2013.

We welcome the opportunity to discuss the implementation of the *Lifeline Modernization Order* in the District of Columbia with FCC staff and remain ready to answer any additional questions that FCC staff may have.

Sincerely,



Cary B. Hinton
Policy Advisor to Chairman
Betty Ann Kane

Cc: Kim Scardino
Garnet Hanly
Karl Muhammad
Denise Watson
Brian Robinson
William White
Linda Jordan
Lara Walt